

December 17, 2014

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Advance Copy Via Email

Mayor Steve Tate and Members of the City Council  
City of Morgan Hill  
17575 Peak Avenue  
Morgan Hill, CA 95037-4128

**Re: Approval of City Garage/Retail/Office Design-Build Contract**

Dear Mayor Tate and Members of the Council:

On behalf of Glenrock Builders, Inc., the owner of the Sunsweet property, we object to the design of the City's 3rd Street garage project as inconsistent with the City's Specific Plan, inconsistent with the purchase agreement by which the City purchased the subject property from Glenrock, and as to the garage, potentially unsafe. The City's 3rd Street building and garage should be redesigned before a contract is awarded for their precise design and construction.

The City's 2009 Downtown Specific Plan makes abundantly clear that the buildings along East 3rd Street are to be a minimum of two stories, and an average of three stories, with a retail component on the ground floor and either professional offices or condominiums/apartments above. (See Specific Plan at pages 2-7, 2-10, 2-13, 2-17, and 5-15.)

Similarly, Recital B of the Agreement for Purchase and Sale of Real Property between Glenrock and the City, signed by City representatives on June 6, 2014, states that the purpose for the City's purchase of the subject property from Glenrock is "developing thereon a proposed approximately 275 space, 3-story public parking garage **together with approximately 4,000 feet of 2-story retail/commercial space along 3rd Street . . . .**"

The City's current plan for its building on 3rd Street is a single story building. While it might have the same height as a two-story building, there will only be one floor: the ground floor. To state the obvious, a building without a second floor is not a two-story building. To state another obvious point, the City's design of buildings it builds is subject to the same regulations applicable to private property.

This building is critical to the overall success of the 3rd Street improvements in achieving the vision described in the Specific Plan. The buildings that Glenrock will build on its adjacent property along 3rd Street will be required by the City to be two stories (meaning having two floors) or more. Having the City's building be a tall single floor occupancy will reduce the attraction of retail tenants to Glenrock's buildings because by comparison Glenrock's first floor retail spaces will have more conventional ceiling heights and hence will be less desirable to prospective retail tenants. In this way, the City's current design sets up the street to fail financially.

Additionally, be advised that the City's current garage plan anticipates footings two feet from the Glenrock property line. It is Glenrock's intention to excavate that end of its parcel for below grade parking, which could destabilize the garage. The City does not have an easement for lateral support.

Both of these issues have been raised directly with staff repeatedly, but without resolution so it is necessary to bring them to your attention.

Glenrock urges the City Council to require that the City's building on 3rd Street comply with the City's own Specific Plan, by having a two story building with an actual second floor, and that the garage be redesigned to ensure it will remain safe after excavation of the adjacent Glenrock property.

Very truly yours,



BARTON G. HECHTMAN

BGH:jm  
cc: Locke Garcia